



Holder Outreach Newsletter California Unclaimed Property Program

This newsletter is intended to keep all businesses, financial organizations and other holders of unclaimed property well informed. It highlights important news, useful information, and changes pertaining to unclaimed property in order to assist holders with California reporting requirements.

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Owner Awareness of Escheat Laws

Effective January 1, 2011, the final provision of the California Unclaimed Property Law Assembly Bill 1291 will take effect. This provision of the Owner Awareness of Escheat Laws states that when a new account or safe deposit box is opened, a banking organization, financial organization or business association shall provide a notice to the person opening the account. The notice will inform them that their property may be transferred to the State if no activity occurs on the account within the time period specified by state law, generally three years. If the person opening the account has consented to electronic communication, that notice may be provided electronically. (Code of Civil Procedures (CCP) sections [1513.5](#) & [1514](#))

Due Diligence Notices

Holders are required to send due diligence notices to owners with property valued at \$50 or more prior to reporting the accounts to the SCO. The notices should be sent six to 12 months before the property is reportable, ensuring that due diligence notices are sent to the property owner before the property is reported to the SCO. Notices should start going out November 1, 2010, for the 2011 reporting year.

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On January 1, 2010, new due diligence letter requirements went into effect. To provide clearer notification to owners that their property is in danger of escheatment and to reunite more owners with their property prior to reporting to the SCO, the face of the notice must now contain a heading centered at the top that reads as follows, "THE STATE OF CALIFORNIA REQUIRES US TO NOTIFY YOU THAT YOUR UNCLAIMED PROPERTY MAY BE TRANSFERRED TO THE STATE IF YOU DO NOT CONTACT US." This amendment also provides that due diligence letters can now be sent electronically with the owner's consent, owners can respond to due diligence letters by a phone call or electronic communication to stop the property from escheating, and holders can impose up to a \$2.00 service charge for administrative costs of the due diligence letter. (Code of Civil Procedure (CCP) sections [1513.5, 1514, 1516, & 1520](#))

Property Owner Advocate's Office

The Property Owner Advocate's Office was created by California State Controller John Chiang to assist individuals, businesses, and local governments who have been unable to resolve their property claims in a timely manner. The Advocate works with the claimant to use all administrative remedies available to resolve the claim and the Unclaimed Property Division to implement procedures and policies to continuously improve customer service. Part of the mission of the Unclaimed Property Division and the Property Owner Advocate's Office is to reunite lost and abandoned property with their rightful owners. For additional information, please visit our website: http://www.sco.ca.gov/upd_poa_about.html.



Property Transaction Dates

The Property Starting Transaction Date (PSTD) also known as the date of last contact/transaction or last activity date is a mandatory field. This field, found within the property record portion of an unclaimed property report, is the date when the last deposit or withdrawal occurred, the date the mail was returned, or the date on which the property became payable, redeemable, or returnable (for example, issue date of a check). It is the date you first lost contact with the owner, not the date the account was opened.

Since the PSTD is the first date of the dormancy period, this date should be used to determine when the property should be reported to California. For example, the PSTD of March 31, 2007, with a three-year dormancy period, will generally be reported in the 2010 report cycle (Holder Notice Report due before November 1, 2010). This date will also drive when you perform due diligence.

When completing the PSTD, NAUPA field "PROP-STARTING-TRANSACTION-DATE," enter as "CCYYMMDD" where "CC" equals the century, "YY" equals the year, "MM" equals the month, and "DD" equals the day. For example, March 31, 2007 would be "20070331". If your records reflects a month and/or year only, enter the available information and use "01" for the unknown data. For example, if only the day is unknown enter the date as "CCYYMM01" or if both the month and date is unknown, enter the date as "CCYY0101."

The Ending Transaction Date, NAUPA field "Ending-Transaction-Date," is not a mandatory field and should only be used if you are reporting property with periodic payments, such as dividends, oil and gas royalties, or commission checks. If you do not have periodic properties to report, the Ending Transaction Date field should be filled with zeros.

For additional reporting information please visit our website: <http://www.sco.ca.gov>.



New Contact Information Interest Assessment Inquiries

To better serve our holders, the Unclaimed Property Division's Accounting Unit now has a dedicated email address and phone number available for all California CCP section 1577 interest assessment inquiries.

E-mail address: 1577info@sco.ca.gov
Phone number: 916-464-6092

Every effort will be made to reply to inquiries within two business days.

Important Upcoming Dates

October 31: Deadline for the 2010 NOTICE REPORTS due to the SCO

December 1-15: REMIT REPORTS and PROPERTIES due for life insurance companies.

Contact us

**California State Controller's Office
Unclaimed Property Division
P.O. Box 942850
Sacramento, California 94250-5873**

www.sco.ca.gov

Reporting Assistance: (916) 464-6284

Claims Assistance: (800) 992-4647

We want your input!

Please send us your comments, ideas or concerns to:

updholderoutreach@sco.ca.gov

